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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/481,126	01/11/2000	Douglas R. Elliott	TEQ11117002	5216

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EXAMINER

DASS, HARISH T

ART UNIT PAPER NUMBER

3628

DATE MAILED: 04/03/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/481,126

Applicant(s)

ELLIOTT, DOUGLAS R.

Examiner

Harish T Dass

Art Unit

3628

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 05 February 2003.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-3 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-3 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

## Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

## Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) \_\_\_\_\_.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_.

**DETAILED ACTION**

***Claim Rejections - 35 USC § 103***

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

**Claims 1-3 are rejected under 35 U.S.C. 103(a) as being unpatentable over Web site [www.howstuffworks.com/question398.htm](http://www.howstuffworks.com/question398.htm), Howstuffworks.com, Inc.**

**(Hereinafter Howstuffworks) in view of Intellectual Property Technology Exchange (IPTEx) and further in view of R. Mansini, MG. Speranza, Selection of lease contracts in an asset-back securitization (Hereinafter Mansini), Tarter et al (Hereinafter Tarter: US 5,704,044) and Risen, Jr. et al (Hereinafter Risen: US 6,018,714).**

Regarding claims 1-3, Howstuffworks – discloses a venture capital funding where the money is gathered from pool of individuals to fund all sort of businesses and creates investment fund profiles where the investors invest in selected fund profiles, he/she like, by: defining a plurality of investor accounts, obtaining an initial amount (monetary amount or cash amount) from each of a plurality of investors, and associating said initial amount from each of said plurality of investors with a respective one of said plurality of investor accounts (Howstuffworks page 2 L1-51). Howstuffworks, explicitly, does not disclose: identifying the initial ownership of a patent, paying a monetary amount to said

Art Unit: 3628

initial ownership of said patent upon the transfer of title to said patent to a subsequent owner, obtaining at least one payment from said initial ownership of said patent, and, allocating said at least one payment from said initial ownership to such respective one of said plurality of investor accounts, using at least one algorithm, entering the assessed value and at least one database.

However, IPTEX – discloses complete invention descriptions of new technologies by identifying the initial ownership of a patent. See reference IPTEX Pages 2-5.

Alternatively, Risen discloses correct ownership of a patent (C9 L1-L5). Further, Mansini et al, discloses a asset-back securities where the seller receives funds and the purchaser is paid back in terms of pools of credits associated with lease contract by: obtaining at least one payment from said initial ownership of said patent, and, allocating said at least one payment from said initial ownership to such respective one of said plurality of investor accounts. Furthermore, Risen discloses providing protection against an unexpected change in value of an intellectual property asset, paying a monetary amount to said initial ownership of said patent upon the transfer of title to said patent to a subsequent owner (C2 L48 to C3 L16; C8 L44 to C9 L43; C26 L12-L33).

Additionally, Tarter, discloses a computerized method and system for financing health care service providers by evaluating and purchasing their accounts receivable, securitizing receivables, and processing and reconciling claims and payments, satisfy most financial (monetary) obligations, make payment(s), evaluation of service provider portfolio using at least one algorithm (an algorithm), securitization process, database and entering data (C1 L32-L47; C6 L33-L54; C11 L65 to C12 L28; C14 L22-L36; C16

L9-L31; C12-L58; C19 L50-L53; C41 L24 to C42 L9). It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to modify the disclosure of Howstuffworks and include evaluation and analysis of intellectual property (IP), pool venture capital to purchase the IP, transfer the title and etc., as taught by IPTEX, Mansini, Risen and Tarter, to establish IP portfolio and provide brokerage service for the exchange of IP.

Additionally, it is obvious that: an investor opens an account by initially depositing funds to his/her account; and in real estate exchange when a property is sold the title or legal ownership document is transferred to new owner. The applicant's page 1 lines 24-32 provides a example of real estate (a patent, music right or IP) which is purchased in form of mortgage where the mortgage is sold back to other institutions or leased back (licensed) to original owner and real estate financing and investment. In real estate transaction, the title is transferred. A venture capital has been around for some time, where the capital is pooled and invested or purchased a property and similarly, agents exist who brings the venture capital investors together and purchases a property together. The agent can be a brokerage entity that prefers to trade in intellectual property, which is the essence of free market and capitalism.

### ***Response to Arguments***

2. Applicant's arguments filed with an amendment on Feb. 7, 2003 with respect to claims 1-3 have been fully considered but are moot in view of the new ground(s) of rejection.

Applicant's representative argues that computerized method of assessing the value of the businesses is not disclosed. In response, this feature is an inherent feature of Howstuffworks. To evaluate today's business value one needs computer, especially in USA.

### ***Conclusion***

3. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Applicant is required under 37 CFR ' 1.111 (c) to consider the references fully when responding to this action.

Zarrer Pavri "Valuation of Intellectual Property (IP) Assets" discloses how you can establish the fair market value or your intellectual property, basic concepts used for valuing IP, common form of IP and their relationship to the monetary and tangible assets of a business and reference to "Valuation of Intellectual Property and Intangible Assets" by Gordon Smith and Russell Parr, published by John Wiley & Sons. See pages 1-28.

4. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL.** See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

Art Unit: 3628

5. A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

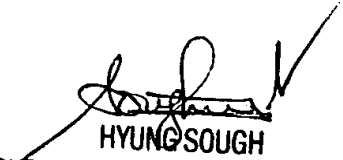
Any inquiry concerning this communication or earlier communications from the examiner should be directed to Harish T Dass whose telephone number is 703-305-4694. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S Sough can be reached on 703-308-0505. The fax phone numbers for the organization where this application or proceeding is assigned are 703-305-7687 for regular communications and 703-746-7238 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

Harish T Dass *H T D*  
Examiner  
Art Unit 3628

3/25/03  
March 25, 2003

  
HYUNG SOUGH  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 3600